

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Costa Rica's coffee production expected to decline in 2012-2013

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Coffee

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Report Highlights:

According to preliminary data from the Costa Rican Coffee Institute (ICAFE), Costa Rica's 2012/2013 coffee harvest is expected to decline by approximately 180,000 60 kg bags, or 10%. The lower production is related primarily to higher incidence of coffee rust (*hemileia vastratrix* B & B).

General Information:**Costa Rica's coffee harvest expected to decline in 2012/2013**

According to preliminary information from the Costa Rican Coffee Institute (ICAFFE), the 2012/2013 coffee crop is expected to decline about 10 percent as a result of lower yields caused by the fungus known as coffee rust (*hemileia vastratrix B & B*). The coffee rust is generally present in all areas where coffee is grown, however, higher temperatures and dry weather during 2012 resulted in much higher incidence of the fungus in the lower altitude growing areas. The majority of the losses are expected to occur in the growing areas of Coto Brus, Perez Zeledón and Turrialba.

According to ICAFFE, production is expected to drop by about 180,000 60 kg bags. Post will update the PS&D tables accordingly in May as additional information becomes available on the progress of the crop. At this point the coffee harvest is still going on in some of the higher altitude areas.

The Ministry of Agriculture and the ICAFFE are working to assist producers affected by the disease. The Government will issue an emergency decree that is expected to provide resources quickly for training and technical assistance programs. These efforts are aimed at helping the smaller and more vulnerable growers. This problem is affecting farmers at a time when international prices are lower, thus reducing their expected income from the crop.

According to data from ICAFFE, during crop year 2011-2012, there were 52,787 coffee farmers in the country. Of these, 91.6% delivered less than 100 46 kg bags of coffee for processing. The production of this group accounted for 40.8% of the crop. The numbers above show that the large majority of producers are fairly small and could be negatively affected by the combined effect of the coffee rust and lower international prices. However, the size of the coffee sector has declined over the years in terms of export revenue and in terms of its contribution to GDP. Coffee exports reached \$374.9 million in calendar year 2011, or 3.6 percent of total exports. Coffee production represented 0.69% of Costa Rica's GDP in 2011.